

State of Hawaii
Department of Human Services
Benefit, Employment & Support Services Division
Employment & Child Care Program Office

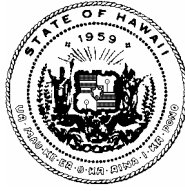
Request for Proposals

RFP No. 903-06-01-KMWH Grant Diversion Program Services in Kauai, Maui and West Hawaii

July 18, 2005

Note: If this RFP was downloaded from the State Procurement Office RFP Website each applicant must provide contact information to the RFP contact person for this RFP to be notified of any changes. For your convenience, an [RFP Interest form](#) may be downloaded to your computer, completed and e-mailed or mailed to the RFP contact person. The State shall not be responsible for any missing addenda, attachments or other information regarding the RFP if a proposal is submitted from an incomplete RFP.

LINDA LINGLE
GOVERNOR



LILLIAN B. KOLLER
DIRECTOR
HENRY OLIVA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P.O. Box 339
Honolulu, Hawaii 96809-0339
July 18, 2005

MEMORANDUM

TO: All Interested Applicants

FROM: Lillian B. Koller, Esq., Director

SUBJECT: **REQUEST FOR PROPOSALS (RFP) – GRANT DIVERSION
PROGRAM SERVICES IN KAUAI, MAUI AND WEST HAWAII;
RFP NO. HMS-903-06-01-KMWH**

The Department is seeking to purchase the service listed above and further described in the attached RFP. The RFP provides information to assist applicants in the preparation of program plans and budget, including:

1. A description of the service sought;
2. Special requirements to be met by the provider;
3. The criteria by which qualifying proposals shall be reviewed/rated; and
4. The criteria for monitoring and evaluating the contract.

An informational meeting is scheduled for 9:00 A.M. to 11:00 A.M. on Thursday, July 28, 2005, at the Kauai Section Office, Dynasty Court, 4473 Pahee St., Ste. G, Lihue, HI 96766; Wednesday, July 27, 2005 at the Maui Section Office, 1955 Main St., Ste. 325, Wailuku, HI 96793; and Friday, July 22, 2005 at the West Hawaii Section Office, 75-5722 Hanama Pl., Ste. 1105, Kailua-Kona, HI 96740. For more information, please call 586-7060 (Oahu). In order for the proposals to be considered, all applicants are required to submit:

1. One (1) original and three (3) copies of the proposal, delivered to DHS, BESSD, Employment and Child Care Office (ECCPO), at 820 Mililani Street, Haseko Center, Suite 606, Honolulu, HI 96813 or,
2. Proposals shall be hand-delivered (including courier mail) by 4:30 P.M., Monday, August 12, 2005, to the various DHS offices listed on the Proposal Mail-In and Delivery Information Sheet. ALL MAIL-INS POSTMARKED AFTER 12:00 MIDNIGHT, AUGUST 12, 2005, WILL NOT BE ACCEPTED FOR REVIEW AND WILL BE RETURNED. Proposals and materials not requested by DHS will not be accepted for consideration.

PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

NUMBER OF COPIES TO BE SUBMITTED:
--

**ALL MAIL-INS MUST BE POSTMARKED BY UNITED STATES POSTAL SERVICE (USPS)
NO LATER THAN
August 12, 2005**

All Mail-ins

Department of Human Services
BESSD Administration Office
Employment and Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

DHS RFP COORDINATOR

Kenneth Nakagawa
For further info. or inquiries

Phone: 586-7060
Fax: 586-5744

**ALL HAND DELIVERIES WILL BE ACCEPTED AT THE FOLLOWING SITES UNTIL 4:30 P.M., Hawaii
Standard Time (HST) August 12, 2005.**

Drop-off Sites

Oahu:

Department of Human Services
BESSD Administration Office
Employment and Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

Maui:

Department of Human Services
Maui Section Office
1955 Main St., Suite 325
Wailuku, Maui

East Hawaii:

Department of Human Services
East Hawaii Section Office
1990 Kinoole Street, Suite 111
Hilo, Hawaii

Kauai:

Department of Human Services
Kauai Section Office
Dynasty Court
4473 Pahee Street, Suite G
Lihue, Kauai

West Hawaii:

Department of Human Services
West Hawaii Section Office
75-5722 Hanama Place, Suite 1105
Kailua-Kona, Hawaii

BE ADVISED: All mail-ins postmarked by USPS after **August 12, 2005**, will be rejected.
Hand deliveries will **not** be accepted after **4:30 p.m., HST, August 12, 2005**.
Deliveries by private mail services such as FEDEX shall be considered hand
deliveries and will not be accepted if received after **4:30 p.m., HST, August 12,
2005**.

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Section 1

Administrative Overview

Section 1

Administrative Overview

Applicants are encouraged to read each section of the RFP thoroughly. While sections such as the administrative overview may appear similar among RFPs, state purchasing agencies may add additional information as applicable. It is the responsibility of the applicant to understand the requirements of *each* RFP.

I. Authority

This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS), Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant.

II. RFP Organization

This RFP is organized into five sections:

Section 1, Administrative Overview--Provides applicants with an overview of the procurement process.

Section 2, Service Specifications--Provides applicants with a general description of the tasks to be performed, delineates applicant responsibilities, and defines deliverables (as applicable).

Section 3, Proposal Application Instructions--Describes the required format and content for the proposal application.

Section 4, Proposal Evaluation--Describes how proposals will be evaluated by the state purchasing agency.

Section 5, Attachments --Provides applicants with information and forms necessary to complete the application.

III. Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

Department of Human Services, State of Hawaii
 Benefit, Employment and Child Care Program Office
 Haseko Center, 820 Mililani St., Suite 606
 Honolulu, HI 96813
 Phone (808) 586-7060 Fax: (808) 586-5744

IV. Procurement Timetable

Note that the procurement timetable represents the State's best estimated schedule. Contract start dates may be subject to the issuance of a notice to proceed.

Activity	Scheduled Date
Public notice announcing RFP	<u>7/17/05</u>
Distribution of RFP	<u>7/18/05</u>
RFP orientation sessions	<u>7/22, 7/27, 7/28/05</u>
Closing date for submission of written questions for written responses	<u>8/1/05</u>
State purchasing agency's response to applicants' written questions	<u>8/4/05</u>
Discussions with applicant prior to proposal submittal deadline (optional)	<u>N/A</u>
Proposal submittal deadline	<u>8/12/05</u>
Discussions with applicant after proposal submittal deadline (optional)	<u>N/A</u>
Final revised proposals (optional)	<u>N/A</u>
Proposal evaluation period	<u>8/13 – 8/21/05</u>
Provider selection	<u>8/22/05</u>
Notice of statement of findings and decision	<u>8/22/05</u>
Contract start date	<u>10/1/05</u>

V. Orientation

An orientation for applicants in reference to the request for proposals will be held as follows:

Date:	<u>July 28, 2005</u>	Time:	<u>9:00 – 11:00am</u>
Location:	<u>Kauai Section Office, 4473 Pahee St., Ste. G, Lihue, Kauai</u>		
Date:	<u>July 27, 2005</u>	Time:	<u>9:00 – 11:00am</u>
Location:	<u>Maui Section Office, 1955 Main St., Ste. #325, Wailuku, Maui</u>		
Date:	<u>July 22, 2005</u>	Time:	<u>9:00 – 11:00am</u>
Location:	<u>West Hawaii Section Office, 75-5722 Hanama Place, Ste. 1105, Kailua-Kona, Hawaii</u>		

Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted at the orientation and spontaneous answers provided at the state purchasing agency's discretion. However,

answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions indicated in the next paragraph (VI. Submission of Questions).

VI. Submission of Questions

Applicants may submit questions to the RFP Contact Person identified in Section 2 of this RFP. All written questions will receive a written response from the state purchasing agency.

Deadline for submission of written questions:

Date: 8/1/05 **Time:** 4:30pm HST

State agency responses to applicant written questions will be provided by:

Date: 8/4/05

VII. Submission of Proposals

A. Forms/Formats - Forms, with the exception of program specific requirements, may be found on the State Procurement Office website at: www.spo.hawaii.gov, click *Procurement of Health and Human Services* and *For Private Providers*. Refer to the Proposal Application Checklist for the location of program specific forms.

- 1. Proposal Application Identification (Form SPO-H-200)** - Provides identification of the proposal.
- 2. Proposal Application Checklist** – Provides applicants with information on where to obtain the required forms; information on program specific requirements; which forms are required and the order in which all components should be assembled and submitted to the state purchasing agency.
- 3. Table of Contents** - A sample table of contents for proposals is located in Section 5, Attachments. This is a sample and meant as a guide. The table of contents may vary depending on the RFP.
- 4. Proposal Application (Form SPO-H-200A)** - Applicant shall submit comprehensive narratives that addresses all of the issues contained in the Proposal Application Instructions, including a cost proposal/budget if required. (Refer to Section 3 of this RFP.)

5. **Registration Form (SPO-H-100A)** – If applicant is not registered with the State Procurement Office (business status), this form must be submitted with the application. If applicant is unsure as to their registration status, they may check the State Procurement Office website at: <http://www.spo.hawaii.gov>, click *Procurement of Health and Human Services*, and *For Private Providers and Provider Lists...The List of Registered Private Providers for Use with the Competitive Method of Procurement* or call the State Procurement Office at (808) 587-4706.
6. **Tax Clearance** – A certified copy of a current valid tax clearance certificate issued by the State of Hawaii, Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) will be required either at the time of proposal submittal or upon notice of award at the discretion of the purchasing agency.

Refer to Section 4, item III.A.1, Administrative Requirements, and the Proposal Application Checklist to see if the tax clearance is required at time of proposal submittal. The tax clearance application may be obtained from the Department of Taxation website at www.hawaii.gov/tax/tax.html.

- B. **Program Specific Requirements** - Additional program specific requirements are included in Sections 2 and/or 3, Service Specifications and the Proposal Application Instructions, as applicable. If Federal and/or State certifications are required, they are listed on the Proposal Application Checklist.
- C. **Multiple or Alternate Proposals** - Multiple or alternate proposals shall not be accepted unless specifically provided for in Section 2 of this RFP. In the event alternate proposals are not accepted and an applicant submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.
- D. **Proposal Submittal** - Proposals must be postmarked by USPS or hand delivered by the date and time designated on the Proposal Mail-In and Delivery Information Sheet attached to this RFP. Any proposal postmarked or received after the designated date and time shall be rejected. Note that postmarks must be by United States Postal Service or they will be considered hand-delivered and shall be rejected if late. The number of copies required is located on the Proposal Mail-In and Delivery Information Sheet. Only hard copies of proposals shall be accepted.

- E. Wages and Labor Law Compliance** - Before a provider enters into a service contract in excess of \$25,000, the provider shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of contractors performing services. Section 103-55, HRS may be obtained from the Hawaii State Legislature website at <http://www.capitol.hawaii.gov/>. Or go directly to: http://www.capitol.hawaii.gov/hrscurrent/Vol02_Ch0046-0115/HRS0103/HRS_0103-0055.htm
- F. Confidential Information** – If an applicant believes any portion of a proposal contains information that should be withheld as confidential, the applicant shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal.

Note that price is not considered confidential and will not be withheld.

VIII. Discussions with Applicants

- A. Prior to Submittal Deadline.** Discussions may be conducted with potential applicants to promote understanding of the purchasing agency's requirements.
- B. After Proposal Submittal Deadline** - Discussions may be conducted with applicants whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance section 3-143-403, HAR.

IX. Opening of Proposals

Upon receipt of proposal by a state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

X. Additional Materials and Documentation

Upon request from the state purchasing agency, each applicant shall submit any additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

XI. RFP Amendments

The State reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals.

XII. Final Revised Proposals

The applicant's final revised proposal, *as applicable* to this RFP, must be postmarked or hand delivered by the date and time specified by the state purchasing agency. Any final revised proposal post-marked or received after the designated date and time shall be rejected. If a final revised proposal is not submitted, the previous submittal shall be construed as their best and final offer/proposal. *The applicant shall submit **only** the section(s) of the proposal that are amended, along with the Proposal Application Identification Form (SPO-H-200).* After final revised proposals are received, final evaluations will be conducted for an award.

XIII. Cancellation of Request for Proposal

The request for proposal may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

XIV. Costs for Proposal Preparation

Any costs incurred by applicants in preparing or submitting a proposal are the applicants' sole responsibility.

XV. Provider Participation in Planning

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the state purchasing agency's release of a request for proposals, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with sections 3-142-202, 3-142-203 and 3-143-618 of the Hawaii Administrative Rules for Chapter 103F, HRS.

XVI. Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons: (Relevant sections of the Hawaii Administrative Rules for Chapter 103F, HRS, are parenthesized)

- (1) Rejection for failure to cooperate or deal in good faith.
(Section 3-141-201, HAR)
- (2) Rejection for inadequate accounting system. (Section 3-141-202, HAR)
- (3) Late proposals (Section 3-143-603, HAR)
- (4) Inadequate response to request for proposals (Section 3-143-609, HAR)
- (5) Proposal not responsive (Section 3-143-610 (1), HAR)
- (6) Applicant not responsible (Section 3-143-610 (2), HAR)

XVII. Notice of Award

A statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the awardee prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

XVIII. Protests

Any applicant may file a protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the SPO website (see the Proposal Application Checklist in Section 5 of this RFP. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the state purchasing agency conducting the protested procurement and the procurement officer who is conducting the procurement (as indicated below) within five working days of the postmark of the Notice of Findings and Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the state purchasing agency.

Head of State Purchasing Agency	Procurement Officer
Lillian B. Koller, Esq.	Edwin Igarashi
Director	Procurement Officer
P.O. Box 339	P.O. Box 339
Honolulu, HI 96809-0339	Honolulu, HI 96809-0339

XIX. Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

XX. Monitoring and Evaluation

The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements

XXI. General and Special Conditions of Contract

The general conditions that will be imposed contractually are on the SPO website. (See Section 5, Proposal Application Checklist for the address). Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

XXII. Cost Principles

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under Chapter 103F, HRS, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201 which is available on the SPO website (see section 5, the Proposal Application Checklist). Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

Section 2

Service Specifications

Section 2

Service Specifications

I. Introduction

A. Overview, purpose or need

The Department of Human Services (DHS or Department) is expanding the “**Grant Diversion**” (GD) Program for Temporary Assistance to Needy Families (TANF) and Temporary Assistance to Other Needy Families (TAONF) applicants to Kauai, Maui and West Hawaii. In each case, a Provider will be asked to place recipients into meaningful full-time employment. Recipients that cannot be placed in full-time employment will be placed in work qualifying activities that add up to 32 hours per week or 138 hours per month. The TANF and TAONF recipients must meet work performance requirements required under Welfare Reform and progress towards self-sufficiency; pursuant to Public Law 104-193, “Personal Responsibility and Work Opportunity Reconciliation Act of 1996” (PRWORA). Expansion of this GD Program is scheduled to begin on October 1, 2005.

This RFP is intended to describe the GD Program on neighbor islands. Diversion programs for TANF recipients are allowed under Administrative Rule 260.31(b)(1) provides as follows: “Assistance... excludes: Non-recurrent short-term benefits that: (i) are designed to deal with a specific crisis situation or episode of need; (ii) are not intended to meet recurrent or on-going needs; and (iii) will not extend beyond four months”.

Under this rule provision, it is believed that TANF and TAONF applicant families can be extended four months of *non-assistance* benefits, and be provided diversion program services to assist low-income adults to obtain paid employment rather than going on TANF or TAONF assistance.

Thus, the purpose of the GD Program is to screen applicants for TANF and TAONF assistance quickly in order to engage the applicants most likely to be able-bodied and approved for assignment to a Provider. Services may include, but are not limited to screening, intake and orientation, pre-employment training, job search, community work experience, job development, job placement, providing supportive services, and monitoring and tracking of the client until they become employed and/or self-sufficient. All clients must meet work performance requirements required under Welfare Reform and progress towards self-sufficiency; pursuant to PRWORA. One to three contracts will be awarded under this request for proposals, pursuant to terms outlined in this RFP.

B. Description of the goals of the service

The goal of this program is to serve TANF and TAONF eligible recipients by having the Provider expedite unsubsidized employment placement for as many clients as possible. This will be further described in Section III, scope of work.

C. Description of the target population to be served

The populations to be served are the able-bodied adults who are eligible to receive TANF and TAONF. The Department reserves the right to change the target population after 30 days notice being afforded to the Provider affected for the duration of this contract or Supplemental Agreement(s).

D. Geographic coverage of service

The area to be served is described as the islands of Kauai (census tracts 401-409.99), Maui (census tracts 301-315.99) and Hawaii (census tracts 212-218.99 which includes North and South Kona, North and South Kohala, and Kau. The Department reserves the right to re-assign census tracts, based on service needs, after affording the Provider 30 days notice, for the duration of this contract and any Supplemental Agreement(s).

E. Probable funding amounts, source, and period of availability

This contract is federally funded. Up to \$587,729 shall be provided to cover base operating costs. In order to cover potential performance incentives, a total of \$825,029 shall be made available to the Provider which, is detailed in section IV.E below. Although the maximum value of this contract is \$825,029, the Department anticipates proposed budgets not to exceed the base operating costs of \$587,729 plus \$116,100 and \$121,200 bonuses to the Provider and employers, respectively. The base/maximum amount of annual funding for this contract is \$108,745/\$142,345 for Kauai, \$290,569/\$416,569 for Maui, and \$188,415/\$266,115 for West Hawaii. These amounts include the following potential Provider/employer bonuses added to the base operating costs: \$16,800/\$16,800 for Kauai, \$61,200/\$64,800 for Maui, and \$38,100/\$39,600 for West Hawaii (Total = \$116,100/\$121,200). The Department reserves the right to change the funding amounts and source, based on future service needs, after affording the Provider 30 days notice, for the duration of this contract and any Supplemental Agreement(s).

II. General Requirements**A. Specific qualifications or requirements, including but not limited to licensure or accreditation**

1. The applicant shall comply with the Chapter 103F, HRS Cost Principles for Purchases of Health and Human Services identified in SPO-H-201

(Effective 10/1/98), which can be found on the SPO website (See Section 5, POS Proposal Checklist, for the website address.)

2. The applicant must provide reasonable accommodations to assure capacity to deliver services to those clients with limited English proficiency.
3. The applicant must assure and be responsible for the continuity of service activities in the event of staff illness, medical emergencies, vacancies, or other situations that result in program resources that are less than proposed and contracted for. The Provider must not require nor depend on the state agency's staff to provide service activities in the event that program resources are not available due to the above situations.
4. When a disagreement arises between the Provider and the State in regards to the performance of specific service activities within contracted specifications, the wishes of the State shall prevail. Failure on the part of the Provider to comply shall be deemed cause for corrective action and subject to contractual remedies.

B. Secondary purchaser participation
(Refer to §3-143-608, HAR)

After-the-fact secondary purchases will be allowed.

Planned secondary purchases: None.

C. Multiple or alternate proposals
(Refer to §3-143-605, HAR)

☐ Allowed ☒ Unallowed

D. Single or multiple contracts to be awarded
(Refer to §3-143-206, HAR)

☐ Single ☐ Multiple ☒ Single & Multiple

E. Single or multi-term contracts to be awarded
(Refer to §3-149-302, HAR)

☐ Single term (\leq 2 yrs) ☒ Multi-term ($>$ 2 yrs.)

An initial term contract (twelve months), with the option of three (3) twelve month extensions subject to availability of funds and contractor performance, shall be awarded.

F. RFP contact person

The individual listed below is the sole point of contact from the date of release of this RFP until the selection of the successful provider or providers. Written questions should be submitted to the RFP contact person and received on or before the day and time specified in Section I, Item IV (Procurement Timetable) of this RFP.

Kenneth Nakagawa, Program Specialist, (808) 586-7060

III. Scope of Work

The scope of work encompasses the following tasks and responsibilities:

A. Time of Performance and Service Activity Requirements

1. To provide unsubsidized employment placement and case management services at a rate of 70 clients per case manager, until the expected unit caseload of $70 \times$ number of case managers is achieved at each of the GD Units in Kauai, Maui and West Hawaii. Case management includes but is not limited to placement of the client into approved activities, providing support services if needed, and providing general advice and emotional support to the client as he or she seeks employment.
2. During the first two months of the GD Program, to exit an estimated 24 clients due to full-time employment. It is proposed that the Provider place half this number as an expected part of the contract.
3. During the second two months of the GD Program, to exit an estimated 24 clients due to full-time employment. It is proposed that the Provider place half this number as an expected part of this contract.
4. By the 3rd month of the GD Program, place an estimated 50% of the unit's caseload in unsubsidized employment for 24+ hours per week.
5. By the end of the 4th month of the GD Program, it is estimated that 50% of the clients transferred to the Department's First-to-Work (FTW) Program will have 32 hours per week of countable work activities. As stated above, it is estimated that an additional 24 clients will obtain full-time employment and exit the GD Program.

B. Scope of Services (minimum and/or maximum tasks and responsibilities)

The Provider is being requested to provide the following services to the clients as described in the following flow model of the GD Program. The flow model will describe each stage of the flow and the expected process to be followed.

Step1: Applications for Assistance

The first step in the flow model will be for all applicants to contact the Department to apply for TANF or TAONF assistance. Applicants from the respective service areas will be referred to the Income Maintenance (IM) unit for screening. It is estimated that there will be about 41 applicants each month in Kauai, 150 in Maui and 93 in Hawaii (total = 284). These are applicants for TANF and TAONF, each of whom will need to be screened.

Step2: Applicants Screened

The screener, at the IM Unit, will review all applications for assistance from the service area. Each applicant will be requested to declare their eligibility for employment. The screening method to be used involves an Income Maintenance Worker reviewing each application with regard to income, asset, and household composition as appropriate for TANF or TAONF eligibility. Each review will result in one of the following outcomes: (1) applicants self-declared exempt due to disability; (2) applicants denied; (3) applicants employed 30 hours per week and no referral necessary; (4) applicant is pregnant; and (5) applicants presumed to be eligible and able-bodied. All applicants except for number 5 above will be referred out of the GD Unit. Categories 1, 3, and 4 will be referred to income maintenance units for assistance benefits processing. It is estimated that there will be a 40% ($113 = 284 \times 40\%$) approval rate each month for TANF or TAONF non-assistance benefits. In the future, the Department may add additional groups of clients to be referred to the GD Unit.

Step 2a: Applicants Self-Declared Exempt Due to Disability

These applicants will be scheduled for a regular, non-expedited, eligibility determination and processed through normal channels. It is estimated that 8% of the applicants will declare exemptions due to disability each month.

Step 2b: Applicants Denied TANF or TAONF Eligibility

The applicant, if determined to be ineligible for non-assistance benefits will be considered for other programs, but the applicant will not be referred to the GD Program. It is assumed that about 60% of the applicants will be denied non-assistance benefits each month.

Step 2c: Applicants Employed 30 Hours per Week

These applicants will be scheduled for a regular, non-expedited, eligibility determination and processed through normal channels. There should be very few of these cases and they will be referred to First-to-Work (FTW). These cases will not be referred for processing by the GD Contractor.

Step 2d: Applicant is Pregnant

Applicants that are pregnant will be processed for a regular, non-expedited, eligibility determination.

Step 2e: Applicants Presumed to be Proper Referrals

All applicants presumed to be proper referrals will be retained by the GD Unit for a presumptive eligibility review. It is estimated that 40% or less of the applicants for non-assistance will be presumed to be proper referrals each month. However, only up to 70 clients per month will be processed due to caseload standards and application trends. The Income Maintenance Worker will schedule these clients to appear for presumptive eligibility determination and assignment to the contractor.

Step 3: GD Program Orientation

As noted above, an estimated 70 applicants or less will be referred for the GD Program Orientation each month. The applicant must report to the GD Program within 3 working days from the completion of application screening, as scheduled by appointment. Applicants who do not show up at their appointment will be provided one additional opportunity to attend orientation within the 30 day application period. All applicant referrals will be required to attend this orientation session with the GD Contractor before they can be interviewed for presumptive eligibility.

Step 3a: Presumptive Eligibility Determination

All applicants presumed to be proper referrals, able-bodied, and have attended the Work Orientation session are processed for a presumptive eligibility determination. The Income Maintenance Workers that will perform this task will be in contact with the GD Contractor via e-mail or telephone. These Income Maintenance Workers will review and approve applications, as well as, handle a caseload of ongoing cases. Presumptive applications will be completed within 1 working day.

These applicants will be simultaneously referred for assignment to the GD Program. Applicants will be expected to begin a search for employment while finishing up the application process.

Applicants presumed to be eligible for TANF/TAONF will receive a presumptive eligibility notice until the completion of presumptive eligibility verification, as described in Step 4 below. The recipient will be considered to be in good standing as long as they complete reporting requirements for both the Financial Assistance and the Work Programs.

Step 4: Presumptive Eligibility Verification

The applicant will be required to submit all verification information within 10 working days of the presumptive eligibility interview. Applicants failing to comply with verification requirements will be sent a case closure notice, and given 10 calendar days to appeal. Also, applicants whose verification information does not support eligibility will be found ineligible.

Step 5: Up-Front Universal Engagement Referral

Once the Orientation Session and the Presumptive Eligibility Interview have been completed, the applicant then reports to the GD Program to begin an effort to become self-sufficient.

The principle behind this is to engage the applicant in up-front work activities. Applicants will be evaluated to determine which work activities should be accessed. Persons with developed work skills will be expected to re-enter the labor market right away. Persons with some work skill may need guidance and encouragement to put them on the right track. Still others will have low skills and ultimately will require some type of short term training to get them on their way.

During the first two months of assignment, after undergoing intake and orientation, applicants will be triaged to determine if they should be asked to job search full-time to seek unsubsidized employment; be placed in a community work experience slot to prepare for paid employment; or receive some form of training or other assistance to make them job-ready. While participating in this stage, most clients will be expected to be actively engaged for 32 hours per week for the first two months. The remaining clients may be scheduled for job club or other training to get the applicant focused on obtaining employment. This service helps to provide support and reinforcement to the applicant in job seeking and interviewing.

Failure to complete job search requirements, or any program requirement during the diversion time frame, will result in the client being subject to the non-compliance and good cause determination process.

There are four outcomes that could occur during this stage: (1) applicants do not report to the GD Program; (2) applicants report to the GD Program and do not complete their program requirements; (3) applicants report to the GD Program,

complete program requirements and are notified of their eligibility for assistance; and (4) applicants obtain full-time employment and exit the program.

Step 5a: Applicants do not report to the GD Program

Applicants that do not report to the GD Program will be sent a closure notice and have 10 calendar days to appeal. There is no estimate of how many applicants will not appear as all are expected to appear or cure.

Step 5b: Applicants Report to the GD Program and do not Complete Program Requirements

Applicants that report to the GD Program, but do not complete program requirements will be subject to the non-compliance and good cause determination process.

Step 5c: Applicants Report to GD Program, Complete Program Requirements and are Notified of Eligibility

Applicants that report to the GD Program, complete program requirements, and are notified of eligibility for assistance will continue to seek employment under the program. This number is estimated to be 16/month on Kauai, 60/month on Maui and 37/month on Hawaii for a total of 113/month.

Step 5d: Applicants that Obtain Full-time Employment Exit the Program

Applicants that find full-time employment will exit the financial assistance program. It is estimated that 24 applicants ($10\%/month = 12 \times 2$ months) will obtain employment and exit the program by the end of the second month of GD Program participation.

Step 6: Continue in GD Program

All participants, by this time, will have eligibility approved. During the second, two month period, participants will be asked to: continue working full time; or engage in job search and community work experience (CWEP) for a total of 32 hours per week if they are still unemployed.

During this stage, there are three outcomes expected: (1) participant obtains full-time employment and exits the program; (2) participants are engaged in job search and CWEP for 32 hours per week; or (3) participants are engaged in job search and CWEP for less than 32 hours per week.

Step 6a: Participant Obtains Full-time Employment and Exits the Program

Applicants that find full-time employment will exit the program. It is estimated that an additional 24 participants will obtain employment and exit the program by the end of the fourth month of GD.

Step 6b: Participants Engaged in Job Search and CWEP for 32 Hours per Week

Participants engage in job search and CWEP for 32 hours a week as required by the program.

Step 6c: Participants Engaged in Job Search and CWEP for Less than 32 Hours per Week

Participants engage in job search and CWEP for less than 32 hours a week as required by the program. All participants in this category will have good cause reasons why they cannot complete full program participation requirements.

Step 7: Referral to First-to-Work (FTW)

At the beginning of the fifth month, all remaining participants will have completed the four month GD Program and not obtained full-time employment to allow them to exit the GD Program.

Step 8: Case Transferred to First-to-Work and a Regular Income Maintenance Unit

All participants reaching their fifth month will be transferred directly to a First-to-Work Unit to assist the participant to gain unsubsidized employment that can lead to self-sufficiency. The participant's case will also be transferred to a regular Income Maintenance Unit for on-going TANF/TAONF assistance benefits.

C. Administrative Duties

1. Provider shall oversee the services provided to the Department's clients as described below. The Provider is responsible for the supervision of case management and other staff.
2. The Provider shall be the point of contact for the other providers or Department staff who may also be assisting the client in achieving objectives that are part of the client's service plan.

D. Provider Training

1. Contracted staff shall comply with all appropriate federal and state laws, rules and regulations, and policies and procedures governing the State run Programs involved, including but not limited to TANF/TAONF, First-to-

Work, Child Care Connection, and Child Support Enforcement. The Department shall provide training on all relevant policies and procedures, including the Hawaii Automated Network Assistance (HANA) System.

E. Provider's Responsibility Regarding Confidential Information

1. The PROVIDER shall keep records to document information acquired about the recipients or given or made available by the recipients served under this Agreement. All such information shall be considered confidential and shall not be disclosed by the PROVIDER except as otherwise allowed by Hawaii Revised Statute §346-10, and Hawaii Administrative Rules §17-601, and only after prior written notification to DHS.
2. The PROVIDER shall insure the security and confidentiality of any and all data and/or information maintained on State electronic data processing equipment including but not limited to Hawaii Automated Welfare Information (HAWI), HANA, and Child Protective Service System (CPSS).

IV. Other Requirements

- A. Reporting:** Use the Hawaii Automated Network Assistance (HANA) terminal(s) available at a designated location to enter client data and payment information. Monthly reports shall be prepared and submitted to the Employment and Child Care Program Office (ECCPO). While manual reports may be submitted, the computer entries shall be the official report. Therefore all data must be entered in a timely manner and the contractor will not receive any credit for client performance if these entries are not entered. At the Department's discretion, manual audits of case records may be performed to validate computer reports. In the event of discrepancies, the Department shall make the final determination of which data system (computer or audit-based, or a combination thereof) will be used to determine performance compliance. *Please take note that the "General Conditions" section of all Health and Human Services Contracts (section 1.6) requires a "Final Report" to the State of Hawaii pertinent to the Compensation and Payment Schedule of the finalized contract.*
- B. Invoicing:** A monthly invoice shall be prepared and submitted to the ECCPO by the 10th of each month in accordance with the agreed upon Compensation and Payment Schedule.
- C. Definition of Work:** Work-mandatory TANF adults served will be expected to participate 32 hours per week in federally defined work activities. The definition of work is provided under Public Law 104-193, section 407 (d) "Work Activities Defined." For the purposes of the GD Program, these activities are:

1. Unsubsidized Employment;
2. Subsidized Private Sector Employment;
3. Subsidized Public Sector Employment;
4. Work Experience;
5. On-the-Job Training;
6. Job Search and Job Readiness Assistance (not to exceed 240 hours);
7. Short-Term Vocational Training (less than 30 days in duration).

For Unsubsidized Employment only, the Provider shall strive to place clients in 40 hours per week jobs. Providers should be aware that the Department will not provide structured Job Readiness training. Therefore, proposals should include a specific provision to directly provide the service.

Also, please note that the Department may change the 32 hour per week work requirement to the federal minimum required under the impending federal legislation.

- D. Performance Incentives:** There is proposed to be performance incentives for this agreement. Performance incentives are proposed for each of the following outcomes: (1) \$400 per client that obtains full-time employment and exits the program within the first two months of the GD Program and retains employment for a 90 day period; (2) \$300 for each client that receives employment and exits the GD Program during months 3 and 4 and retains employment for a 90 day period; (3) \$150 per client for each unsubsidized employment placement for 24 or more hours per week that lasts at least 6 weeks; and (4) \$100 per client transferred to the First-to-Work Program at the end of the fourth month that is performing 32 hours per week in countable hours.

One final incentive for these contracts would relate to employers who hire clients for 20 or more hours per week for six or more consecutive weeks. This incentive would amount to a \$100 per client incentive bonus for each bonus period (i.e. 6 weeks first increment, subsequently 4 week increments).

There is also a proposed penalty for these contracts. The penalty would be a \$100 per client penalty for those clients transferred to the First-to-Work Program with less than 32 hours per week of countable activities.

- E. Cost of Proposed Incentives:** The cost for the proposed incentives is as follows:

Full-time Employment and Exit within First Two Months

It is estimated that 24 clients will exit the GD Program due to full-time employment within the first two months of the GD Program. In order to be considered a full-time employment exit, the client must remain off TANF/TAONF for a minimum of 90 days. It is proposed that the contractor place half this number (i.e. 12) as an expected part of the contract. At a proposed bonus

cost of \$400 per client, the estimated cost for the 12 clients (Kauai-2, Maui-6, Hawaii-4) above expected performance is **\$4,800**. (Kauai = \$800, Maui = \$2,400, Hawaii = \$1,600)

Full-time Employment and Exit within Second Two Months

It is estimated that 24 clients will exit the GD Program due to full-time employment within the second two months of the GD Program. In order to be considered a full-time employment exit, the client must remain off TANF for a minimum of 90 days. It is proposed that 12 (Kauai-2, Maui-6, Hawaii-4) of these clients represent expected performance and that 12 be subject to bonus. At a proposed bonus cost of \$300 per client, the estimated cost is **\$3,600**. (Kauai = \$600, Maui = \$1,800, Hawaii = \$1,200)

Unsubsidized Employment Placement for 24 or More Hours per Week

It is estimated that 50% of the caseload in the GD Program will be placed in unsubsidized employment by the third month. Unsubsidized employment, in order to count for this bonus, must be sustained for a minimum of six weeks. Furthermore, additional one month interval employments subsequent to the initial 6 week period will also generate a bonus for the contractor. It is proposed that 25% of the population shall have this expected performance and the other 25% be subject to bonus. Estimated cost is based on 25% of the population in months three and four achieving this placement. Estimated cost of the bonus is 101 ($113 \times 4 = 452$ minus $48 = 404 \times 25\%$) clients at \$150 per qualifying employment period (2), or **\$30,300**. (Kauai: 16×4 minus $8 \rightarrow 56/4 \times \$150 \times 2 = \$4,200$, Maui: 60×4 minus $24 \rightarrow 216/4 \times \$150 \times 2 = \$16,200$, Hawaii: 37×4 minus $16 \rightarrow 132/4 \times \$150 \times 2 = \$9,900$)

Clients Transferring to First-to-Work with 32 Hours per Week of Countable Hours

It is estimated that 50% of the clients transferred to the First-to-Work Program will have 32 hours of countable activities at the end of the fourth month. The estimated population at the end of the fourth month is 404 clients. Therefore, 50% of this population is 202. The estimated cost of this bonus is **\$20,200** (i.e. \$100 each). (Kauai = $56/2 \times \$100 = \$2,800$, Maui = $216/2 \times \$100 = \$10,800$, Hawaii = $132/2 \times \$100 = \$6,600$)

Employer Bonus for Hiring a client for more than Six Consecutive Weeks in Unsubsidized Employment

It is estimated that 202 clients will be placed for 20 or more hours per week for more than six consecutive weeks. It is further estimated that employers will qualify, on the average for 2 bonus periods at a total cost to the program of \$200 per client. Total estimated cost of this employer bonus is **\$40,400**. This amount

shall be paid by the Provider directly to the employer. There will be a limit of \$200 to the employer once the client exits from the GD Program due to excess income from employment or transfers to FTW. (Kauai = 16×2 minus 4 = $28 \times \$200 = \$5,600$, Maui = 60×2 minus 12 = $108 \times \$200 = \$21,600$, Hawaii = 37×2 minus 8 = $66 \times \$200 = \$13,200$)

Penalty for Transferring a Client to First-to-Work at Less Than 32 Hours of Countable Activities

It is estimated that 50% of the clients remaining at the end of the fourth month will be transferred with less than 32 hours per week of countable activities. The estimated population at the end of the fourth month is 404 clients. Therefore, 50% of this population is 202. The estimated cost of this penalty is **\$20,200** (i.e. \$100 each). (Kauai = $28 \times \$100 = \$2,800$, Maui = $108 \times \$100 = \$10,800$, Hawaii = $66 \times \$100 = \$6,600$)

Total Estimated Cost of Performance Incentives

The total estimated cost of performance incentives for this GD Program is as follows:

- | | |
|---|-------------------|
| • Unsubsidized Employment First Two Months | \$4,800 |
| • Unsubsidized Employment Second Two Months | \$3,600 |
| • Unsubsidized Employment for 24 hours, 6 weeks or More | \$30,300 |
| • Clients Transferred to First-to-Work with 32 Hours | \$20,200 |
| • Employer Bonus for Hiring 20+ Hours for 6 or More Consecutive Weeks | \$40,400 |
| • Clients Transferred to First-to-Work without 32 Hours | <u>(\$20,200)</u> |

Total	\$79,100
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To annualize these costs, the estimates are multiplied by 3. Thus, total bonuses could be \$237,300 or \$79,100 per cycle. Please note that of the possible \$237,300 in total bonuses awarded, up to \$121,200 ($\$40,400 \times 3$ cycles) of this amount shall be awarded to *employers* who meet the criteria in hiring clients for more than six consecutive weeks as explained above. Therefore, the total maximum amount of potential bonuses available to the Provider shall be \$116,100 ($\$237,300 - \$121,200$).

- F. Division Procedures:** The Provider shall follow Procedures established by the Benefit, Employment and Support Services Division of the Department regarding the (1) support services for child care, transportation, and work related expenses, (2) transitional child care, (3) case closures, (4) monitoring and tracking of participation, and (5) reporting of all data related to clients and client participation, conciliation and sanction. Additionally, the Provider shall (6) prepare an official Branch Report in the event of an Administrative Hearing request by a client, (7) seek approval for the purchase of inventory with contract

funds in the amount of \$250 or more, and (8) complete telecom requests to install or de-install any server, computers and printer related equipment and other peripherals.

- G. Hours of Operation:** Normal hours of operation shall be 7:45 a.m. to 4:30 p.m., excluding State of Hawaii Holidays.

H. Management Requirements

1. Proposed Sites for Contractor Placement

The proposed sites for the Provider staff shall be in Lihue, Wailuku, and Kailua-Kona. The Department is proposing that services begin as soon as possible after October 1, 2005.

2. Personnel

The Provider shall hire and maintain the following staff in order to provide the required services for this contract: One (1) unit supervisor and six (6) GD case managers. Kauai shall have one (1) GD case manager, Maui shall have three (3) case managers, and West Hawaii shall have two (2) case managers. As applicable, the Provider shall hire their staff on an incremental basis as the caseload increases to 70 clients per case manager.

I. Administrative

1. RFP Purpose

GD Program for TANF and TAONF Eligible Recipient Families.

2. RFP Responsibility

The Department will conduct the RFP process and contract with awardee. The Contract will go into effect on October 1, 2005 and will run through September 30, 2006. At the discretion of the Department, the contract may be extended for three additional 12-month periods at the same contract price.

- 3. Issuing Office:** Department of Human Services
Benefit, Employment & Support Services Division
Employment and Child Care Program Office
Haseko Center, 820 Mililani Street, Suite 606
Honolulu, HI 96813
Phone: (808)586-5735.

- 4. Deadline:** Completed proposals [original and three (3) copies] shall be submitted no later than the close of business on Friday, August 12, 2005,

to the issuing office at the above address, or postmarked (by the US Postal Service) no later than Friday, August 12, 2005, to the same office.

5. Contact Person(s): Ken Nakagawa, Phone 586-7060 or 586-5735

6. Offerors' Conference

The Offeror's Conference will be held at various locations within the State during July. Please refer to the schedule on page 1-2 for specific dates, times, and locations. Interested offerors are requested to send no more than two (2) representatives.

7. Inquiries

Prospective offerors are encouraged to submit written questions to the issuing office before the date listed in the Procurement Timetable. Offerors will have the opportunity at the conference to ask questions to clarify any uncertainties that exist. The Department will prepare written responses to written questions and distribute copies to all offerors, as soon as feasible after the conference. Since impromptu questions will be permitted at the conference and spontaneous answers provided, offerors should clearly understand that the only official answer or position of the Department will be the one stated in writing.

8. Intention to Propose

Any person, firm or corporation that intends to bid must submit, along with the Proposal, a current statement or certificate from the Director of Taxation to the effect that all delinquent taxes levied or accrued under State statutes against said person, firm or corporation have been paid, and any other evidence requested by and acceptable to the contracting officer to demonstrate that the prospective bidder is not in default of any obligations due to the State or any of its political subdivisions. Any person, firm or corporation shall also submit all supporting documentation as specified in the RFP. Documentation shall be submitted no later than the deadline specified in the Procurement Timetable for submitting proposals.

9. Application Costs

DHS will not pay for any costs incurred by applicants prior to the effective date of a contract. All costs incurred in the preparation of a proposal in response to the Department's RFP (including travel expenses to attend any informational sessions, applicant's conference or negotiation sessions, if held) are the sole responsibility of the applicant.

10. Proposal Preparation

Only Hard Copy Proposal shall be accepted. Proposals should be without elaborate art work, binding, printing, or materials not essential to its utility and clarity. Graphs, charts and matrixes are acceptable, but should also be backed-up by a clearly written narrative. We require an original and three (3) sets of each proposal to the Department. Review Section 3, Proposal Content and Instructions. To ensure completeness of the proposal, please refer to Attachment B, Listing of Supporting Documents to be submitted. At the discretion of the Department, minor procedural error may be waived. All contractors are advised to document all aspects of their proposal. Failure to do so may result in a lower score. All proposals will be reviewed on the basis of what is submitted. Any understanding to the contrary must be supported by written acknowledgement from the Department.

11. Criteria for Proposal Acceptance for Review and Competitive Rating

Each proposal shall be submitted in the format prescribed and all portions addressed. In order to be in compliance with Act 314, SLH 1996, all proposals must include a valid State (or current application for tax clearance) and IRS Tax Clearance Certificate in order to be considered.

12. Disposition of Proposals

All proposals become the property of the State of Hawaii. The successful proposal will be incorporated into the resulting contract by reference. Material breaches of contract may result in termination of the contract.

13. Execution of Contract

The successful offeror will be required to enter into a formal written contract with the Department in accordance with the laws, rules and regulations of the State of Hawaii.

The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the resulting contract. Any deviations therefrom must be specifically defined by the offeror in its proposal which, if successful, will become part of the contract.

The funds available for this project are limited. The Department reserves the rights to contract for only those services which appear to be in the best interests of the State.

The Department reserves the right to cancel the contract without cause and request new proposals for the work. Upon award of the work, the Department will forward the formal contract to the successful offeror for execution. The contract shall be signed by the successful offeror and

returned, together with required insurance documents (including indemnification), and other supporting documents, within ten (10) calendar days after receipt by the offeror, or within such further time as the Director may allow.

No such contract shall be binding upon the Department until the contract has been fully and properly executed by all the parties thereto and the State Comptroller has, in accordance with Section 103-39, Hawaii Revised Statutes, endorsed thereon his certificate that there is an appropriation or balance of an appropriation over and above all outstanding contracts, sufficient to cover the amount required by the contract during the fiscal year. Further, the contract shall not be considered to be fully executed unless the Department of the Attorney General of the State of Hawaii has approved the contract as to form.

No supplementary agreement shall be binding upon the Department until the agreement has been fully and properly executed by all parties thereto prior to the start date of agreement. The Provider shall not provide any services until the agreement is fully and properly executed.

Any work performed by the successful offeror prior to receipt of a Notice to Proceed shall be at the offeror's own risk and expense. The State of Hawaii and the Department are not and will not be liable for any work, contract costs, expenses, loss of profits or damages whatsoever incurred by the successful offeror prior to the receipt of a Notice to Proceed.

The Special Conditions, including but not limited to the following, shall be incorporated in the Agreement:

1. Purchase of Equipment, Furniture, Supplies and Telecom Request

- a. The PROVIDER shall get prior approval for the initial purchase of equipment, furniture, supplies, etc. which are required for this contract. Subsequent purchases exceeding **\$250** shall require prior approval.
- b. The PROVIDER shall transfer possession of equipment, furniture and supplies purchased by the Department upon termination of the contract.
- c. The PROVIDER shall submit a telecom request to install or de-install any server, computers and printer related equipment, and telecommunication.

2. Liability Insurance

Notwithstanding the “General Conditions” for all 103F-procured contracts, where section 1.4 addresses the liability insurance in a combined amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00), the Department of Human Services requires that the PROVIDER obtain, maintain, and keep in force throughout the period of this Agreement liability insurance (the “Liability Insurance”) issued by an insurance company in a combined amount of at least TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00), or such lesser amount requested in writing by the PROVIDER, and, for good cause shown, approved by the head of the purchasing agency, which approval, if any, is incorporated herein by reference, for bodily injury and property damage liability arising out of each occurrence. The Provider’s Liability Insurance shall indicate that the State of Hawaii is an additional insured with respect to its policy provisions and therefore cover any liability arising out of or resulting from occurrences connected with the PROVIDER’S performance under the Agreement. Prior to or upon execution of the Agreement, the PROVIDER shall obtain a certificate of insurance verifying the existence of the necessary liability insurance coverage in the amounts stated above. If the scheduled expiration date of the liability insurance policy is earlier than the expiration date of the time of performance under the Agreement, the PROVIDER, upon renewal of the policy, shall promptly cause to be provided to the State of Hawaii an updated certificate of insurance. The certificates of insurance shall expressly provide that the insurance policy shall not be cancelled unless the insurance company has first given to the State of Hawaii thirty (30) calendar days’ written notice of the intended cancellation.

J. Quality Assurance and Evaluation Specifications

The contract shall be evaluated based upon performance as described in section III listed above. The contract will also be reviewed for overall cost effectiveness based upon the overall cost compared to the performance outcome.

K. Output and Performance/Outcome Measurements

The performance of the contractor shall be measured by the specifications described in section IV.

L. Reporting Requirements for Program and Fiscal Data

The Provider shall report data at a computer terminal to be designated for the Provider. All data shall be entered in a timely manner, as the computer entries shall be used as the official data in the contract evaluation. Hand written reports

will not be accepted as officially reported data, though certain manual reports may be requested of the Provider by the Department. *However, please note* that all computer entries shall be backed by documentary evidence. All this necessary documentation/evidence shall be filed in the physical case record file for each client.

M. Pricing or Pricing Methodology to be used

This is a cost reimbursement contract with additional performance based bonuses. The cost reimbursement pricing structure reflects a purchase of services agreement in which the State agency pays the Provider for actual base operating costs incurred in delivering the services specified in the contract, up to a stated maximum obligation of \$587,729 for the duration of the contract. **However, please note that 10% or \$58,772 of the total obligation of \$587,729 will be withheld pending the verification of Provider's performance in accordance with section III, items A and B, above.**

Provider is limited to 15% in indirect expenses. For-profit corporations will not be allowed to charge any fixed fee or profit as part of their budget or expenditure plan. Any profit or additional fees must be attained through the bonus structure described in section IV, items D and E, above.

Provider will be able to earn performance bonuses in all possible categories, if qualified in accordance with the terms and conditions set-forth in section IV, items D and E, above, and subject to verification of performance. These bonuses shall be paid in addition to the actual base operating costs.

See RFP Section 3, Item V for details regarding Pricing Methodology.

V. Facilities

If the Provider does not already have existing facilities, the Provider is expected to enter into a lease arrangement for the procurement of adequate office space which can house their staff, equipment and the necessary data communication infrastructure for the HANA system.

Section 3

Proposal Application Instructions

Section 3

Proposal Application Instructions

General instructions for completing applications:

- *Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through for each section. **See sample table of Contents***
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon an applicant's score.*
- *Applicants are **strongly** encouraged to review evaluation criteria in Section 4, Proposal Evaluation when completing the proposal.*
- *This form (SPO-H-200A) is available on the SPO website (for the website address see the Proposal Application Checklist in Section 5, Attachments). However, the form will not include items specific to each RFP. If using the website form, the applicant must include all items listed in this section.*

The Proposal Application comprises the following sections:

- *Proposal Application Identification Form*
- *Table of Contents*
- *Program Overview*
- *Experience and Capability*
- *Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

I. Program Overview

Applicant shall give a brief overview to orient evaluators as to the program/services being offered.

II. Experience and Capability

A. Necessary Skills

The applicant shall demonstrate that it has the necessary skills, abilities, and knowledge relating to the delivery of the proposed services.

B. Experience

The applicant shall provide a description of projects/contracts pertinent to the proposed services.

C. Quality Assurance and Evaluation

The applicant shall describe its own plans for quality assurance and evaluation for the proposed services, including methodology.

D. Coordination of Services

The applicant shall demonstrate the capability to coordinate services with other agencies and resources in the community.

E. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable and special equipment that may be required for the services.

III. Project Organization and Staffing

A. Staffing

1. Proposed Staffing

The applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. (Refer to the personnel requirements in the Service Specifications, as applicable.)

2. Staff Qualifications

The applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. (Refer to the qualifications in the Service Specifications, as applicable)

B. Project Organization**1. Supervision and Training**

The applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

2. Organization Chart

The applicant shall reflect the position of each staff and line of responsibility/supervision. (Include position title, name and full time equivalency) Both the “Organization-wide” and “Program” organization charts shall be attached to the Proposal Application.

IV. Service Delivery

Applicant shall include a detailed discussion of the applicant’s approach to applicable service activities and management requirements from Section 2, Item III. - Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

V. Financial**A. Pricing Structure**

Applicant shall submit a cost proposal utilizing the pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the Proposal Application.

Pricing Structure Based on Cost Reimbursement

The cost reimbursement pricing structure reflects a purchase arrangement in which the State pays the contractor for budgeted costs that are actually incurred in delivering the services specified in the contract, up to a stated maximum obligation.

The purchasing agency shall consider cost proposals based on “cost type” or “pure reimbursement” pricing structure from the applicants’ who are non-profit organizations licensed to do business in State of Hawaii. “Cost-type” involves payment of all incurred costs within a predetermined total estimated cost.

The purchasing agency shall consider cost proposals based on “cost-plus-fixed-fee” from the applicants who are for-profit organizations licensed to do business in State of Hawaii. “Cost-plus-fixed-fee” allows for payment of all incurred costs within a predetermined amount plus an agreed upon fee which will not change. **We anticipate these fees to be limited to 10% or less of the**

contract award. Also, these fees need to be built within the contract ceiling. *Please note*, however, that the Department reserves the right to negotiate the final amount of fixed fee within the limits discussed above.

All budget forms, instructions and samples are located on the SPO website (see the Proposal Application Checklist in Section 5 for website address). The following budget form(s) shall be submitted with the Proposal Application:

SPO-H-205 Budget
 SPO-H-206A Personnel – Salaries & Wages
 SPO-H-206B Personnel – Payroll Taxes and Fringe Benefits
 SPO-H-206C Travel – Inter-Island
 SPO-H-206D Travel – Out-of-State*
 SPO-H-206E Contractual Services – Administration
 SPO-H-206F Contractual Services – Subcontracts
 SPO-H-206G Indirect Costs
 SPO-H-206H Other Costs
 SPO-H-206I Equipment Purchases*

*Expenditures require justification and prior approval

B. Other Financial Related Materials

1. Accounting System

In order to determine the adequacy of the applicant's accounting system as described under the administrative rules, the following documents are requested as part of the Proposal Application (may be attached):

Most recent Audit Report.

2. Tax Clearance Certificate (Form A-6)

An original or certified copy of a current (within 3 months), valid Clearance Certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) shall be submitted by the contract execution date. The two-part Tax Clearance Application (Form A-6) that combines DOTAX and IRS tax clearance shall be used for this purpose.

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

Section 4

Proposal Evaluation

Section 4

Proposal Evaluation

I. Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

II. Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

Evaluation Categories and Thresholds

<u>Evaluation Categories</u>		<u>Possible Points</u>
<i>Administrative Requirements</i>		
<i>Proposal Application</i>		100 Points
Program Overview	0 points	
Experience and Capability	20 points	
Project Organization and Staffing	15 points	
Service Delivery	55 points	
Financial	10 Points	
TOTAL POSSIBLE POINTS		100 Points

III. Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

1. Administrative Requirements

- Proposal Application Checklist
- Registration with State Procurement Office
- Audit Report (most recent)

2. Proposal Application Requirements

- Proposal Application Identification Form (Form SPO-H-200)
- Table of Contents
- Program Overview
- Experience and Capability
- Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)

B. Phase 2 - Evaluation of Proposal Application (100 Points)

Program Overview: No points are assigned to Program Overview. The intent is to give the applicant an opportunity to orient evaluators as to the service(s) being offered.

1. *Experience and Capability (20 Points)*

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

A. Necessary Skills

- Demonstrated skills, abilities, and knowledge relating to the delivery of the proposed services.
- Demonstrated a thorough understanding of the purpose and scope of the service activity.
- Described how the proposed service is designed to meet the pertinent issues and problems related to the service activity.

B. Experience

- Explain your relevant experiences dealing with State of Hawaii contracts relating to the delivery of the proposed services during the last 5 years.

C. Quality Assurance and Evaluation

- Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology.

D. Coordination of Services

- Demonstrated capability to coordinate services with other agencies and resources in the community.

E. Facilities

- Adequacy of facilities relative to the proposed services.

2. *Project Organization and Staffing (15 Points)*

The State will evaluate the applicant's overall staffing approach to the service that shall include:

A. *Staffing*

- Proposed Staffing: That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services.
- Staff Qualifications: Minimum qualifications (including experience) for staff assigned to the program.

B. *Project Organization*

- Supervision and Training: Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services.
- Organization Chart: Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks.

3. *Service Delivery (55 Points)*

The evaluation criteria may also include an assessment of the logic of the work plan for the major service activities and tasks to be completed, including clarity in work assignments and responsibilities, and the realism of the timelines and schedules, as applicable.

- Describe the overall program content and design.
- Demonstrate a clear understanding of the target group.
- Demonstrate an understanding of the various service activities and sequence of events.
- Presents evidence of cooperation and collaboration, and willingness to follow Department requirements, policies and established procedures.
- Demonstrates knowledge of case documentation and maintenance. Include any experience with electronic case record maintenance as utilized in computer systems.
- Demonstrates knowledge of handling customer service demands and complaints.
- Provides for public relations and community collaboration.
- The evaluation criteria may also include an assessment of the logic of the work plan for the major service activities and tasks to be completed, including clarity in work assignments and responsibilities, and the realism of the timelines and schedules, as applicable.
- Describes staff/management activities.

4. *Financial (10 Points)*

- Personnel costs are reasonable and comparable to positions in the community.
- Non-personnel costs are reasonable and adequately justified.

- To what extent does the budget support the scope of service of this RFP?
- Adequacy of accounting system.

C. Phase 3 - Recommendation for Award

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each applicant.

Section 5

Attachments

- A. Proposal Application Checklist
- B. Sample Table of Contents
- C.

Proposal Application Checklist

Applicant: _____

RFP No.: HMS-903-06-01-KMWH _____

The applicant's proposal must contain the following components in the order shown below. This checklist must be signed, dated and returned to the state purchasing agency as part of the Proposal Application. *SPO-H forms are located on the web at <http://www.spo.hawaii.gov> Click *Procurement of Health and Human Services* and *For Private Providers*.*

Item	Reference in RFP	Format/Instructions Provided	Required by Purchasing Agency	Completed by Applicant
General:				
Proposal Application Identification Form (SPO-H-200)	Section 1, RFP	SPO Website*	X	
Proposal Application Checklist	Section 1, RFP	Attachment A	X	
Table of Contents	Section 5, RFP	Section 5, RFP	X	
Proposal Application (SPO-H-200A)	Section 3, RFP	SPO Website*	X	
Registration Form (SPO-H-100A)	Section 1, RFP	SPO Website*	(Required if not Registered)	
Tax Clearance Certificate (Form A-6)	Section 1, RFP	Dept. of Taxation Website (Link on SPO website)*	X	
Cost Proposal (Budget)				
SPO-H-205	Section 3, RFP	SPO Website*	X	
SPO-H-205A	Section 3, RFP	SPO Website* Special Instructions is applicable, Section 5		
SPO-H-205B	Section 3, RFP,	SPO Website* Special Instructions, Section 5		
SPO-H-206A	Section 3, RFP	SPO Website*	X	
SPO-H-206B	Section 3, RFP	SPO Website*	X	
SPO-H-206C	Section 3, RFP	SPO Website*	X	
SPO-H-206D	Section 3, RFP	SPO Website*	X	
SPO-H-206E	Section 3, RFP	SPO Website*	X	
SPO-H-206F	Section 3, RFP	SPO Website*	X	
SPO-H-206G	Section 3, RFP	SPO Website*	X	
SPO-H-206H	Section 3, RFP	SPO Website*	X	
SPO-H-206I	Section 3, RFP	SPO Website*	X	
SPO-H-206J	Section 3, RFP	SPO Website*		
Certifications:				
Federal Certifications		Section 5, RFP		
Debarment & Suspension		Section 5, RFP		
Drug Free Workplace		Section 5, RFP		
Lobbying		Section 5, RFP		
Program Fraud Civil Remedies Act		Section 5, RFP		
Environmental Tobacco Smoke		Section 5, RFP		
Program Specific Requirements:				
Audit Report	Section 3, RFP		X	
Organization Chart	Section 3, RFP		X	

Authorized Signature

Date

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	SPO-H-206C Budget Justification - Travel: Interisland	
	SPO-H-206E Budget Justification - Contractual Services – Administrative	
B.	Other Financial Related Materials	
	Financial Audit for fiscal year ended June 30, 1994	
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	Program	
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